

Employer Contribution Rates Notice

In 2008, the South Carolina General Assembly passed Act 311, which provided a guaranteed cost-of-living adjustment (COLA) of up to 2 percent in the South Carolina Police Officers Retirement System (PORS). The amount of the automatic annual COLA is based on the Consumer Price Index as of the previous December 31.

Act 311 of 2008 also increased the PORS employer contribution rate effective July 1, 2009, by an amount required actuarially to help pre-fund the COLA or by one-half percent, whichever is less.

Due to the effects on employers of the current economic conditions and budget restrictions, and to provide overall cost savings, the General Assembly recently introduced a proviso to change the effective date of the PORS employer contribution increase as passed by Act 311 of 2008 from July 1, 2009, to July 1, 2010.

The Retirement Systems' actuary determined that the delayed effective date would result in the PORS employer contribution rate increasing by .48 percent effective July 1, 2010. This proviso, coupled with Act 311 of 2008, increases the PORS employer contribution rate from 10.65 percent to 11.13 percent effective July 1, 2010. The Retirement Systems is monitoring this legislative action and will provide updates when they become available.

Regardless of this legislative action, the FY10 employer contribution rates for the South Carolina Retirement System (SCRS) and the State Optional Retirement Program (State ORP) remain the same. The retiree health insurance surcharge will most likely change, however, and we will notify you of this rate as soon as soon as we receive the information.

If you have any questions or need additional information, please contact our Customer Services Department at (803) 737-6800, (800) 868-9002 (within SC only), or through our contact page at www.retirement.sc.gov.